

FISCAL NOTE

HB 570 - SB 996

April 4, 1997

SUMMARY OF BILL: Requires private health insurers and health maintenance organizations to cover an annual digital rectal examination and prostate-specific antigen (PSA) test for men age forty having a family history of prostate cancer, men fifty and over with certain symptoms and African-American men age forty and over.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$500,000

**Other Fiscal Impact - Increase Expenditures/Health Insurance Industry¹
Exceeds \$500,000**

Coverage of such tests is estimated to result in higher capitation rates paid to managed care organizations in the TennCare program.

This bill would not directly impact the state employee health insurance plan and most local government health plans, since self-insured plans are exempted by federal law (ERISA).

¹The impact on the health insurance industry is included as required by Chapter 244 of the Public Acts of 1989.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director